## **REMARKS**

Claims 1-37, 41-50 and 54-55 are pending in the present application, claims 54-55 having been added and claims 38-40 and 51-53 having been cancelled without prejudice or disclaimer herein. The Office Action and cited references have been considered. Favorable reconsideration is respectfully requested.

Applicant hereby confirms the election made by telephone by Mr. Neimark on November 7, 2007, to prosecute the invention of Group I, claims 1-37 and 41-50 in this application. Accordingly, Applicant has cancelled claims 38-40 and 51-53 without prejudice or disclaimer of the right to refile those claims in one or more divisional applications.

The abstract and title have been amended to overcome the objections set forth in the Office Action. Withdrawal thereof is respectfully requested.

Claims 1-37 and 41-50 were rejected under 35 U.S.C. §101, as allegedly being directed to an algorithm *per se*. Applicant has amended claims 1 and 41 to recite that the data is received from an external device, a codec, and the processed data is transmitted to another external device, a receiving station. New claims 54 and 55 recite that the encoded communication signal is received at a transmitting station and the processed data is transmitted to a receiving station. The present claimed method and apparatus create a useful and tangible result, since it reduces the number of bits to be transmitted over the connection between the transmitting station and the receiving station, and therefore improves the utilization/conception of the bandwidth. Applicant respectfully submit that independent claims 1, 41, 54 and 55 fully comply with the

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requirements of 35 U.S.C. § 101, as do the dependent claims 2-36, and 42-50. Withdrawal of this rejection is respectfully requested.

Claims 1 and 41 were rejected under 35 U.S.C. § 102(b) as being anticipated by Dolby et al. (WO 98/51113). Applicant notes with appreciation the apparent indication of the allowability of claims 2-36 and 42-50 over the prior art. Applicant has amended claims 1 and 41 to include some of the limitations of claim 32, as well as to include the limitation of a speech codec, which is supported on, e.g., page 13, line 24- page 14, line 22. Applicant respectfully submits that claims 1 and 41 are allowable over the prior art at least because the limitations of claim 32 are not found in the cited references. In particular, Dolby describes a system and method for removing redundant data such as identical data that appears in consecutive packets. Applicant respectfully submits that Dolby does not disclose or suggest Applicant's claimed combinations, including classifying the at least one frame signal in accordance with at least one characterization criterion selected from a group consisting of voice and noise as recited in claims 1 and 41.

Additionally, Applicant has added new claims 54 and 55 that correspond substantially to original claims 1 and 41, combined with claims 2 and 45, respectively. Accordingly, new claims 54 and 55 are also believed to be patentable over the prior art of record.

In view of the above amendment and remarks, Applicant respectfully requests reconsideration and withdrawal of the outstanding rejections and objections of record. Applicant submits that the application is in condition for allowance and early notice to this effect is most earnestly solicited.

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If the Examiner has any questions, she is invited to contact the undersigned at 202-628-5197.

Respectfully submitted,

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